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Arizona Corporation Commission  
**BEFORE THE ARIZONA CORPORATION COMMISSION**

DOCKETED BY

2000 NOV 15 P 1:46

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IN THE MATTER OF U S WEST  
COMMUNICATIONS, INC.'S  
COMPLIANCE WITH SECTION 271  
OF THE TELECOMMUNICATIONS  
ACT OF 1996

**DOCKET NO. T-00000A-97-0238**

**STAFF'S RESPONSE TO AT&T'S  
MOTION FOR REVIEW OF PMA  
IMPASSE REPORT - MIL ISSUE 926**

The Arizona Corporation Commission ("ACC" or "Commission") Staff hereby responds in opposition to the Motion filed by AT&T Communications of the Mountain States, Inc. and TCG Phoenix (collectively, "AT&T") for Review of the Staff's PMA Impasse Report, MIL Issue No. 926.

**I. BACKGROUND.**

Two documents govern, to a great degree, the testing of Qwest's Operational Support Systems ("OSS") in Arizona to determine whether Qwest meets the requirements of Section 271 of the Telecommunications Act of 1996 ("1996 Act"): the Master Test Plan, version 4.0, dated April 6, 2000 ("MTP") and the Test Standards Document, version 2.7, dated June 24, 2000 ("TSD"). Both documents were the result of extensive negotiation and collaboration among the participants of the Test Advisory Group ("TAG"). The TAG is comprised of representatives from the Commission Staff, its Consultant, DCI, its Test Administrator - CAP Gemini Ernst & Young, its Pseudo-CLEC - Hewlett Packard, Competitive Local Exchange Carriers ("CLECs") and Qwest. If the TAG cannot reach consensus on an issue it is referred to the Commission Staff for resolution.

The OSS Test is comprised of five parts: the Performance Measurement Evaluation ("PME"), the Relationship Management Test, the Retail Parity Test, the Functionality Test and the Capacity Test. The disputed issue referred to the Staff by the TAG and addressed in the Staff's Impasse Report which is the subject of AT&T's Motion has to do with the

1 relationship between the PME and the Functionality Test. More specifically, the issue pertains to  
2 whether the PME and/or Historical Data Evaluation is an entrance criteria for the Functionality  
3 Test.

4           The MTP defines the scope of the PME as including "...reviews of Performance  
5 Measurement data collection and analysis (including an evaluation of the processes and  
6 procedures that U S WEST employs to collect data and calculate performance measurements), a  
7 performance evaluation over a three-month consecutive period specified by the ACC,  
8 Functionality and Capacity Tests and Performance Measurement verification." MTP (Section 1.  
9 Executive Overview) at p. 3. The Functionality Test is designed to provide information for the  
10 ACC to assess the ability of Qwest's OSS to provide operational functionality to CLECs. The  
11 test includes an evaluation of Qwest's processes including pre-ordering, ordering, provisioning,  
12 maintenance & repair (M&R) and billing.

13           It is AT&T's position that the Historical Data Evaluation must be completed  
14 before any Functionality Testing may begin. *See* AT&T Motion and Attachments. It is Qwest's  
15 position that this is not required and that the appropriate point to begin Functionality Testing  
16 should be left to the discretion of the Test Administrator. *See* Qwest November 8, 2000  
17 Response.

18           After a careful and thorough evaluation of both the MTP and TSD, the  
19 Commission Staff found that the language of both documents was clear that completion of the  
20 PME is not an entrance criteria to the Functionality Test. Additionally, Staff found that the  
21 language of both documents was also clear that sufficient completion of the Process Audit (the  
22 first portion of the PME) was an entrance criteria to the Functionality Test. Staff also found that  
23 the language of both documents, while ambiguous, could also be construed to require some  
24 evaluation of the Qwest's historical performance measurement data before Functionality Testing  
25 begins. However, Staff could not find any agreement reflected in either document that the  
26 parties collectively intended that the Historical Data Evaluation (the second portion of the PME)  
27 be completed before Functionality Testing could begin. By requiring a three months review  
28 where the data was available, and at least some review for other measurements where three

1 months is not available, the Staff construed both documents and the parties' positions in the most  
2 reasonable and consistent fashion possible. Additionally, the Staff's resolution attempted to  
3 ensure the continued integrity of the OSS test.

## 4 II. ARGUMENTS.

### 5 A. The Express Provisions of the MTP and TSD Do Not Reflect an Agreement 6 By the Parties For Completion of Either the PME or the Historical Data 7 Evaluation Before Functionality Testing May Begin.

8 Under the TSD and MTP, the PME is composed of the following four distinct  
9 components:

- 10 1) PM Process Review
- 11 2) Historical Data Evaluation
- 12 3) Functionality Test Evaluation
- 13 4) Capacity Test Evaluation

14 The first phase, the PM Process Review, includes an evaluation of the process and  
15 procedures in place to verify that data is being collected and used in a proper fashion when  
16 computing performance measures. See MTP Section 8.3.1. According to the MTP, this  
17 evaluation is to include an examination of documentation, an evaluation of Qwest's data  
18 collection, analysis and reporting processes based on Performance Indicator Definitions  
19 ("PIDs"), interviews with Qwest personnel and clarifying discussions with CLEC representatives  
20 where appropriate.

21 The Historical Data Evaluation, the second component of the PME, includes an  
22 examination of performance measurement data from a three-month period to determine if Qwest  
23 is correctly computing the results. See MTP Section 8.3.2. The Historical Data Evaluation  
24 includes the following: 1) a review of the calculation of performance measurements; 2) an  
25 independent calculation of results, using data provided by Qwest; 3) calculation of z-statistics for  
26 performance measurements; 4) comparison to z-statistics computed by Qwest, and 5)  
27 determination of the extent that Qwest's historical data are consistent with the Performance  
28 Indicator Definitions. See MTP Section 8.3.2.

...

1           The last two components of the PME include the Functionality Test and Capacity  
2 Test Evaluation phases of the audit which are to evaluate the performance measurements listed in  
3 Appendix C to the Arizona MTP. *See* MTP, Section 8.2. These two phases of the PME are  
4 conducted during the Functionality and Capacity Tests, and thus, by definition cannot be  
5 entrance criteria for the Functionality Test.

6           Both documents are clear, in Staff's opinion, that the Process Audit, or the first  
7 phase of the PME, was intended to be an entrance criteria to the Functionality Test. Section 7.2  
8 of the TSD describes all four sections of the PME and expressly provides that the Process  
9 Evaluation is an entrance criteria for the Functionality Test.<sup>1</sup> *See* TSD Section 7.2. Language in  
10 Section 7.3.6 of the TSD again differentiates the Process Audit as proceeding in two phases to  
11 allow Functionality Testing to begin. It states in relevant part, "[t]he interim report for the PME  
12 Process Audits may be produced in two phases to allow Functionality Testing to begin based on  
13 performance measures already in operation with a second report produced and approved for  
14 those performance measures being developed by U S WEST." The MTP, Section 4.7.3.2 lists  
15 the following entrance criteria to the Functionality Test:

- 16           • Sufficient establishment of the Arizona Performance Measures
- 17           • The Test Administrator has sufficiently completed its evaluation of the
- 18           U S WEST *processes* for data collection and calculation of the Arizona
- Performance Measures.

19           On the other hand, Staff could find no express provision in either document, and hence  
20 no evidence of an agreement among the parties, that the entire three month Historical Data  
21 Evaluation was intended to be an entrance criteria to the Functionality Test. However, as  
22 explained below, both documents contained some ambiguous language regarding whether and to

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23           <sup>1</sup> TSD Section 7.2 provides in relevant part: "The Performance Measurement  
24 Process Evaluation is an audit/review of the processes and practices utilized by U S WEST for  
25 gathering and computing the retail an CLEC results for the performance measures identified in  
26 Appendix B of the MTP. *Since this process evaluation is an entrance criteria for Functionality*  
27 *Tests*, the process evaluation may be conducted in two phases. Conducting the audits in this  
28 fashion will permit testing to begin for those performance measures that are currently available.  
A second process audit/review will be conducted for those areas of the test feeding performance  
measures being developed by U S WEST.

A Historical Data Evaluation will be conducted on the 3 most current consecutive  
months of U S WEST retail and CLEC data. The Historical Data Evaluation will be conducted  
in phases that match the availability of the Performance Measurement data.

1 what extent some review of Qwest's historical performance measurement data had to take place  
2 before the Functionality Test could proceed. As already noted, Staff construed the ambiguities in  
3 the most reasonable fashion possible taking into account the positions of the parties and the  
4 continued integrity of the test.

5 **B. Staff Construed the Provisions of the MTP and TSD in the Most Reasonable**  
6 **Fashion Possible Given the Express Language Contained in Both Documents**  
7 **and the Positions of the Parties.**

8 AT&T argues that Staff ignored language in the documents which supported its  
9 position. See AT&T Motion at p. 7. Staff did not ignore language in support of AT&T's  
10 position, in coming to the conclusion that neither completion of the entire PME or the entire  
11 Historical Data Evaluation was an entrance criteria to the Functionality Test. The specific  
12 language relied upon by AT&T states that "In addition, the historical evaluation will also  
13 investigate the presence of potentially confounding factors that may need to be further controlled  
14 in the design and analysis of the functionality tests." TSD 7.3.3. While Staff agrees that this  
15 language can be interpreted to support AT&T's position, it can also be interpreted to require  
16 some historical data evaluation, not the full three month review, on the PIDs being tested.

17 Staff also considered other language relied upon by AT&T, including the entrance  
18 criteria for the various portions of the Functionality Test contained in the TSD. Staff found  
19 several of these provisions to be ambiguous. The entrance criteria for the preorder and  
20 maintenance and repair sections of the Test refer specifically to successful passing of the *process*  
21 audit. See, TSD Sections 3.7.4.3; and 3.7.6.3. However, the entrance criteria for the order and  
22 provisioning and billing measures refer to "the performance measurement...." being tested and  
23 successfully passed. See, TSD Sections 3.7.5.3; and 3.7.8.3.

24 Using the specific language contained in the TSD and MTP to describe the four  
25 components of the PME, Staff found that general reference to the "performance measurement"  
26 having been tested and passed as entrance criteria for several portions of the Functionality Test  
27 could only mean completion of the entire PME, which would not make sense since the last two  
28 portions of the PME must be completed *during* testing. Also, Staff could find no rationale for  
the parties agreeing to completion of only the *process* audit for two portions of the Functionality

1 Test, but the *whole PME* for the remaining two portions of the Test. Thus, Staff found the most  
2 reasonable interpretation consistent with the other language in the documents would be  
3 completion of the Process Audit and enough evaluation of the Qwest historical performance  
4 measurement data to allow the Test Administrator, in its discretion, to proceed with Testing.

5 Further, Staff did not ignore the parties' intent as alleged by AT&T. Staff simply  
6 could not find definitive language in either document which indicated that the parties had  
7 actually reached agreement on the issue and that their collective intent was to include the  
8 Historical Data Evaluation as an entrance criteria to the Functionality Test.

9 In the end, Staff gave considerable weight to the arguments made by AT&T as to  
10 why the historical data evaluation was necessary before Functionality Testing could proceed.  
11 AT&T argued that the historical data evaluation was necessary in order to validate the results of  
12 the Process Audit. Staff agreed that some evaluation was necessary and factored this into its  
13 resolution of the issue.

14  
15 C. **Staff Ultimately Adopted a Procedure Which Attempted to Account for the**  
16 **Ambiguities in Both Documents, Balanced the Interests of the Parties, and**  
**Ensured Test Integrity.**

17 Given the ambiguities in both documents and the concerns raised by AT&T and  
18 Qwest, Staff attempted to structure a resolution which balanced the interests of all parties and  
19 ensured continued test integrity. Staff provided that in all cases where its Test Administrator has  
20 three months of historical PM data available, the Test Administrator will review that data and its  
21 PME interim report will contain the appropriate analysis. In most instances, the Staff's Test  
22 Administrator has already reviewed the required three months of PID data, and thus, the issue is  
23 already moot in many cases.

24 However, in those instances where the review of three months of data is not  
25 possible and the Test Administrator, in its discretion, determines that testing should proceed,  
26 Staff's Impasse Resolution gives the Test Administrator the ability to proceed subject to many  
27 important safeguards. Staff required CAP Gemini to fully apprise the CLECs and the ACC as to  
28 when testing is to commence on any specific performance measurements, the amount of data

1 collected and analysis done at the time, the safeguards to be imposed in the event that three  
2 months of data has not been analyzed. Staff also required its Test Administrator to listen to any  
3 objections raised by the CLECs and take those into account in designing and carrying out the  
4 tests. The entire process is to be done with ACC/DCI oversight and approval. In addition, as a  
5 further safeguard, Qwest has agreed to retesting if later evaluation of the data reveals  
6 discrepancies and the need for retesting.

### 7 III. CONCLUSION.

8 The Commission should deny AT&T's Motion for Review of Staff's Resolution  
9 of PMA Impasse – MIL Issue No. 926. Staff's resolution represents a careful balancing of the  
10 interests of the parties and ensures the continued integrity of the test.

11 RESPECTFULLY submitted this 15th day of November, 2000.

12  
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